FINAL STATEMENT OF REASONS

a) Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are Necessary

Post-Hearing Modification

Specific Purpose:

This section is amended to reflect changes regarding federal food stamp eligibility.

Factual Basis:

This amendment is necessary to conform the California Department of Social Services, Manual of Policies and Procedures to federal law as amended by Public Law 107-171, Section 4401, of May 13, 2002. Public Law 107-171 amends the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 regarding federal food stamp eligibility for legal noncitizens.

Section 63-405.137

Specific Purpose:

This section is being adopted to conform with the changes to the Food Stamp Program as mandated by the Food Stamp Reauthorization Act of 2002. The implementation of this section will make certain legal non-citizens who are currently receiving state-funded food stamp assistance eligible for federally-funded food stamp assistance.

Factual Basis:

This section is necessary to conform the California Department of Social Services (CDSS), Manual of Policies and Procedures to federal law as amended by Public Law (P.L.) 107-171, Title IV, Section 4401, of May 13, 2002. P.L. 107-171 amends the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 regarding federal food stamp eligibility for legal non-citizens.

Final Modification

This section is being deleted because the necessary regulatory changes are included in Section 63-405.133. The changes in the regulations should have been included in Section 63-405.133, but due to an oversight, a new section was inadvertently added.

Post-Hearing Modification

Section 63-503.49(f)

Specific Purpose:

This section is being adopted to comply with the federal requirement that noncitizen children are no longer subject to sponsor deeming.

Factual Basis:

This section is necessary to conform the California Department of Social Services, Manual of Policies and Procedures to federal law as amended by Public Law 107-171, Section 4401, of May 13, 2002. Public Law 107-171 amends the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 regarding sponsor deeming requirements for noncitizen children.

b) <u>Identification of Documents Upon Which Department Is Relying</u>

- P.L. 107-171, Title IV, Section 4401
- United States Department of Agriculture (USDA), Food and Nutrition Service (FNS), Administrative Notice (AN) 03-04, dated October 21, 2002.
- USDA, FNS, AN 02-39, dated July 8, 2002

c) Local Mandate Statement

These regulations do impose a mandate upon local agencies, but not school districts. There are no "state-mandated local costs" in these regulations, which would require federal and state reimbursement due to increased administrative costs under Section 17500 et seq. of the Government Code. These regulations are federally mandated. The conversion of recipients from the California Food Assistance Program to the federal food stamp program will result in a significant savings to the state in providing benefits to this population. The local, state, and federal agencies share administrative costs. Increased costs in benefits are paid entirely by the federal government.

d) Statement of Alternatives Considered

CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected private persons than the proposed action.

e) Statement of Significant Adverse Economic Impact On Business

CDSS has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

f) <u>Testimony and Response</u>

These regulations were considered as Item #1 at the public hearing held on June 11, 2003 in Sacramento, California. No oral or written testimony was received.

g) <u>15-Day Renotice Statement</u>

Pursuant to Government Code Section 11346.8, a 15-day renotice and complete text of modifications made to the regulations were made available to the public following the public hearing. No public comment was received as a result of this 15-day renotice.